



**Strathmore**  
UNIVERSITY

## **STRATHMORE UNIVERSITY BUSINESS SCHOOL**

**MASTER OF MANAGEMENT IN AGRIBUSINESS**

**END OF SEMESTER EXAMINATIONS**

**MMA 8105: PROJECT PLANNING AND MANAGEMENT IN AGRIBUSINESS**

**Date:** Thursday, 16<sup>th</sup> August 2018

**Time:** 2 ½ Hours

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### **Instructions**

1. This examination consists of **FIVE** questions.
2. Answer Question **ONE** and **ANY OTHER TWO** questions.

### **Question 1 (Compulsory) (30 Marks)**

- a) Project Management is growing at an exponential rate. What are the drivers of growth of Project Management? **(2 Marks)**
- b) Define the following two terms: Project and Project Management. What is the difference? **(4 Marks)**
- c) Project Management requires you to manage the Triple Constraints. Identify and describe the Triple Constraints. Provide an example in your business that demonstrates how a change in one constraint affects the other two constraints **(8 Marks)**
- d) Schedule compression shortens the project schedule without changing the project scope, to meet schedule constraints, imposed dates, or other schedule objectives. It includes two techniques: Crashing and Fast Tracking. Discuss each technique providing examples from your business of how each could be used to compress the Schedule **(8 Marks)**
- e) A critical part of your role as a Project Manager or a Manager in your business is Communication. In some businesses within the Agricultural sector, you may have to work with and communicate with employees with lower level of skills. Discuss and explain how you can communicate effectively. **(8 Marks)**

### **Question 2 (20 Marks)**

You have been assigned the Project Manager tasked with planting trees on the plot of land behind the company's new factory. The plan:

- 30 batches of 20 trees (600 trees)

- 5 batches per day (100 trees)
- Budgeted cost per tree is Kshs. 290 (Kshs. 250 per baby tree / Kshs. 40 for the slow release fertilizer)
- The total budget provided is Kshs. 174,000

After the first day only 70 trees have been planted (the team hit a patch with stones that had to be removed before the trees could be planted). The total cost spent was Kshs 35,000 (the team had to rent a special machine to help remove the stones which cost Kshs 14,700 for the day)

You are required to report to the steering committee on performance and determine how much time and cost remain.

**Required:**

Using the various Earned Value Management (EVM) formulas, prepare the report that includes the following

- a) Budgeted Cost **(3 Marks)**
- b) Earned Value. **(3 Marks)**
- c) Cost Variance (amount and %) **(4 Marks)**
- d) Schedule Variance (amount and %) **(4 Marks)**
- e) Estimate at Completion (cost and schedule) **(6 Marks)**

**Question 3 (20 Marks)**

- a) Explain the difference between Risk and Uncertainty **(4 Marks)**
- b) In preparing for Risk response, you can either respond to threats or opportunities. With examples from your business, identify and discuss the four (4) responses to opportunities and (4) responses to threats **(16 Marks)**

**Question 4 (20 Marks)**

Angela has just joined Mercko Systems and has been asked to advise the company on whether to go ahead with the following project or not. The project will earn \$160,000 per year in 5 years.

- a) If the APR is 6%, what is the cash flow worth in the 5<sup>th</sup> year? **(5 Marks)**
- b) You've been offered a project B that will earn you a profit of \$100,000 in three months. You have also been offered of a project A that will earn you a profit of \$70,000 in 21/2 months. You can only do one project. Which one would you choose and why? **(3 Marks)**
- c) A key part of Scope Management is developing the Work Breakdown Structure (WBS). Discuss the WBS in detail **(10 Marks)**
- d) A project is formally authorized through the Project Charter. Is this a true statement? Discuss briefly **(2 Marks)**

**Question 5 (20 Marks)**

- a) There is a strong interrelationship between an Organization's Strategic Plan and Project Management – Do you agree? Discuss. **(5 Marks)**
- b) Change Management cannot be ignored when managing projects. Do you agree? Discuss the relationship between Project Management and Change Management. **(5 Marks)**
- c) Once a Project Manager has completed the Schedule plan, he/she may be required to resource level the schedule. Discuss this statement in detail **(5 Marks)**
- d) One of the most difficult tasks in Project Budgeting for the Project Manager is accurately estimating costs. The Project Manager can use either the PERT, Parametric Estimating, Bottom-up estimating or Top Down estimating. Describe and discuss ONE of these approaches **(5 Marks)**